Patent Public Advisory Committee Meeting

Legislative Update



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Congressional Hearings:

Highlight on IP-related hearings (USPTO not testifying):

Patents

- "Abusive Patent Litigation: The Impact on American Innovation & Jobs, and <u>Potential Solutions</u>" March 14, 2013, House Judiciary Committee, Subcommittee on Courts, Intellectual Property and the Internet
- "Abusive Patent Litigation: The Issues Impacting American Competitiveness and Job Creation at the <u>International Trade Commission and Beyond</u>" – April 16, 2013, House Judiciary Committee, Subcommittee on Courts, Intellectual Property and the Internet
- "Patent Reform implementation and New challenges for <u>Small Businesses</u>" May 15,
 2013, House Committee on Small Business
- "Standard Essential Patent Disputes and Antitrust Law" July 30, 2013, Senate Judiciary
 Subcommittee on Antitrust, Competition Policy and Consumer Rights



Congressional Hearings (cont.):

Copyrights

- "The <u>Satellite Television</u> Law: Repeal, Reauthorize, or Revise?" June 12, 2013, *House Energy and Commerce*, Subcommittee on Communications and Technology
- In front of House Judiciary, Subcommittee on Courts, Intellectual Property and the Internet:
 - * "A Case Study for Consensus Building: The Copyright Principles Project" May 16, 2013
 - "Unlocking Consumer Choice and Wireless Competition Act" June 6, 2013
 - "Innovation in America: The Role of Copyrights" July 25, 2013
 - "Innovation in America: The Role of Technology" August 1, 2013
- Additional Hearings expected in September.



Various proposals/approaches to address abusive patent litigation:

White House Announcement (June 4, 2013):

5 Executive Actions (4 of which USPTO is implementing):

- Making "Real Party-in-Interest" the New Default.
- 2. Tightening Functional Claiming.
- 3. Empowering Downstream Users.
- 4. Expanding Dedicated Outreach and Study.

7 legislative recommendations:

- Require applicants to disclose the "Real Party-in-Interest"
- 2. Permit more discretion to the court to award fees to prevailing parties
- 3. Expand the PTO's Transitional Program for Covered Business Methods
- 4. Protect off-the-shelf use by consumers and businesses
- 5. Change the ITC standard for obtaining an injunction
- 6. Use demand letter transparency to help curb abusive suits
- 7. Ensure the ITC has adequate flexibility in hiring qualified Administrative Law Judges



Various proposals/approaches to address abusive patent litigation:

<u>Congressional Activity (113th Congress)</u> - Various Introduced bills or Circulated Drafts:

H.R, DISCUSSION DRAFT (Rep. Goodlatte, R-VA-6) — circulated: 5/28/2013	Various Litigation-Related and Other Provisions, <i>inc.</i> fee shifting, RPI, CBM
H.R. 845, "Saving High-Tech Innovators from Egregious Legal Disputes" (SHIELD) Act of 2013 (Rep. Defazio, D-OR-4) – introduced: 2/27/2013	Fee shifting
H.R. 2024, "End Anonymous Patents Act" (Rep. Deutch, D-FL-21) – introduced: 5/16/2013	Patent Owner Disclosure / Real Party in Interest
H.R. 2639, "Patent Litigation and Innovation Act" (Reps. Jefferies, D-NY-8, Farenthold, R-TX-27) – introduced: 7/10/2013	Heighten Pleading Standards, Joinder, Stays, Discovery, Rule 11 sanctions
H.R. 2766, "Stopping the Offensive Use of Patents Act (STOP Act)" (Reps. Issa, R-CA-49, Chu, D-CA-27)- introduced 7/22/2013	Expanding PTO's Transitional Proceeding for Covered Business Methods
S.866, "Patent Quality Improvement Act of 2013" (Sen. Schumer, D-NY) – introduced: 5/6/2013	Expanding PTO's Transitional Proceeding for Covered Business Methods
S. 1013, "Patent Abuse Reduction Act of 2013" (Sen. Cornyn, R-TX) – introduced: 5/21/2013	Litigation-Related Provisions <i>inc.</i> Discovery, Joinder



113th Congress (*Miscellaneous IP Legislation*)

Budget

 H.R. 2582, "To End the Application of Sequestration to the USPTO" (Rep. Honda, D-CA-17) – introduced: 6/28/2013

Patents

- S. 1478, e911 services and patent infringement (Sen. Cardin, D-MD) -- introduced: 8/1/2013
- O H.R. 2236, "Promoting Start-up Innovation Act" (Rep. Chabot, R-OH-1) introduced: 6/4/2013

Trademarks

• H.R. 1278, "Non Disparagement of Native American Persons or Peoples in Trademark Registration Act of 2013" (Rep. Faleomavaega, D-AS-at large) – introduced: 3/20/2013

Copyright / Cellphone Unlocking

- H.R.1892 "Unlocking Technology Act of 2013" (Lofgren, D-CA-19) introduced: 5/8/2013
- H.R.1123 (Goodlatte, R-VA-6) and S. 517 (Leahy, D-VT), "Unlocking Consumer Choice and Wireless Competition Act," introduced: 3/13/2013
- S.467, "Wireless Device Independence Act of 2013" (Sen. Wyden, D-OR) introduced: 3/5/2013
- S.481, "Wireless Consumer Choice Act" (Sen. Klobuchar, D-MN) introduced: 3/6/2013

<u>Trade Secrets</u> – creating a private right of action against theft

- O H.R. 2466 (Lofgren, D-CA-19) introduced: 6/20/2013
- O DISCUSSION DRAFT, (Whitehouse, D-RI, Graham, R-SC) circulated: 7/29/2013



113th Congress – Selected Bills/Activity

Counterfeiting & Designs

- O H.R. 22, "Foreign Counterfeit Merchandise Prevention Act" (Rep. Poe, R-TX-2) introduced: 1/3/2013
- Promoting Automotive Repair, Trade and Sales (PARTS) Act
 - **H.R.1663** (Rep. Issa, R-CA-49) introduced: 4/23/2013

Cyber Security

- H.R.624 (Rogers, R-MI-8) introduced: 2/13/2013
- **S.21** (Rockefeller, D-WV) introduced: 1/22/2013
- S.884 (Sen. Levin, D-MI) introduced: 5/7/2013
- Executive Order, "Improving Critical Infrastructure Cybersecurity" (2/12/2013)
- O House Hearing 7/9/2013: Energy & Commerce, Subcommittee on Oversight and Investigations, "Cyber Espionage and the Theft of U.S. Intellectual Property and Technology"

Generic Drugs

S.214, "Preserve Access to Affordable Generics Act" (Klobuchar, D-MN) – introduced: 2/4/2013

Miscellaneous

S. 660, "Innovation Through Trade Act of 2013," (Sen. Hatch, R-UT) – introduced: 3/22/2013



Other Considerations for the 113th Congress

- Green Paper on, "Copyright Policy, Creativity, and Innovation in the Digital Economy"
 - Multi-stakeholder process and outreach efforts beginning this month
- Satellite Offices
 - Continued interest from Capitol Hill
 - Local support for outreach and education (in Silicon Valley, Denver and elsewhere)
- International Treaties implementing legislation
 - Beijing Treaty on Audiovisual Performances
 - Marrakesh Treaty on the Visually Impaired
- Nominations (confirmed):
 - The Hon. Penny Pritzker Secretary of Commerce (97-1)
 - Ray Chen U.S. Court of Appeals for the Federal Circuit (97-0)
- Partnership with the Smithsonian Institute (2 highlighted)
 - The Innovation Pavilion at the Arts and Industry Building
 - "Build a Better Mousetrap" Hill Staff tour (July 11)
- USPTO Outreach to Hill Staff
 - Individual Staff Meetings with Judiciary and New Members, Congressional Caucuses
 - Preparing for Telework meetings with Oversight Committees
 - "Day in the Life" Visits for Congressional Staff (June 21)
 - "Everything You Ever Wanted to Know About IP in China (and More)" at USPTO (Aug. 7)



Questions and Comments?

Thank you.

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